

**RESOLUTION NO. 2012-27**

**METROPOLITAN REDEVELOPMENT AREA DESIGNATION: MAKING CERTAIN FINDINGS AND DETERMINATIONS PURSUANT TO THE METROPOLITAN REDEVELOPMENT CODE, AND DESIGNATING THE SILVER CITY DOWNTOWN METROPOLITAN REDEVELOPMENT AREA.**

**SPONSORED BY COUNCILOR MICHAEL S. MORONES.**

**WHEREAS**, Section 3-60A-8 NMSA 1978 of the metropolitan redevelopment code (Sections 3-60A-1 through 3-60A-48 NMSA 1978) states: “A municipality shall not prepare a metropolitan redevelopment plan for an area unless the governing body has by resolution determined the area to be a slum or a blighted area, or a combination thereof, and designated the area as appropriate for a metropolitan redevelopment project”; and

**WHEREAS**, the Town of Silver City (“Town”) and Silver City MainStreet, and New Mexico MainStreet and their employees, have for some time engaged in a study of blighted areas within the Main Street District, and have submitted their findings and recommendations concerning the area detailed in the Designation Report which was included in packets for the November 13, 2012, Town Council meeting, a copy of which is attached hereto as Exhibit A; and

**WHEREAS**, pursuant to Section 30-60A-8 NMSA 1978 of the Metropolitan Redevelopment Code, the Town of Silver City caused to be published in the Silver City Daily Press, a newspaper of general circulation, a notice of the Downtown Metropolitan Redevelopment Area and the date, time, and place where the Town Council will conduct a public hearing to consider the adoption of this resolution; and

**WHEREAS**, pursuant to Section 30-60A-8 NMSA 1978 of the Metropolitan Redevelopment Code, such notice was published at least twice, the last publication not less than twenty days before the public hearing at which this resolution is considered, and

**WHEREAS**, the boundaries of the Silver City Downtown Metropolitan Redevelopment Area are explicitly delineated on Exhibit B, an irregularly shaped area of approximately 76 blocks that is generally south of Highway 180, west of Hudson St., north of Chihuahua Street, and east of Lyon Street; and

**WHEREAS**, the Town Council considered the findings and determinations of the Designation Report and all comments made at the public meeting concerning the conditions which exist in the proposed Metropolitan Redevelopment Area.

**NOW, THEREFORE BE IT RESOLVED** by the Council of the Town of Silver City, Grant County, New Mexico that:

1. The Town Council finds and determines that in downtown Silver City there are many deteriorated structures, sites and other declining improvements, unsafe conditions, long term consequences of obsolete and impractical planning and platting, and low levels of commercial activity that substantially impair and arrest the sound growth and economic well being of the area and the Town.

2. The Town Council finds and determines that this blighted area would benefit from a metropolitan redevelopment project or projects, that the designation of a metropolitan redevelopment area is appropriate in the interests of public health, safety, and welfare, and it hereby designates a Downtown Redevelopment Area.
3. The Town Council designates the boundaries of the Downtown Redevelopment area to be delineated on Exhibit B.
4. If any paragraph, sentence, clause, words or phrase of this resolution is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this resolution. The Town Council hereby declares that it would have passed this resolution and each section, paragraph, sentence, word or phrase thereof irrespective of any provisions being declared unconstitutional or otherwise invalid.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of December, 2012.

(Seal)

/s/

\_\_\_\_\_  
James R. Marshall, Mayor

Attest:

/s/

\_\_\_\_\_  
Ann L, Mackie, Town Clerk

Exhibit A: MRA Designation Report

Exhibit B: MRA Boundary

# *Town of Silver City*

## **Downtown Metropolitan Redevelopment Area**

### **Designation Report**



Prepared for:  
Town of Silver City  
Silver City MainStreet

Prepared by:  
CommunityByDesign

Revised December 3, 2012

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Economic data provided from UNM Bureau of Business and Economic Research (BBER)  
*Silver City MainStreet: Community Economic Assessment (2008).*

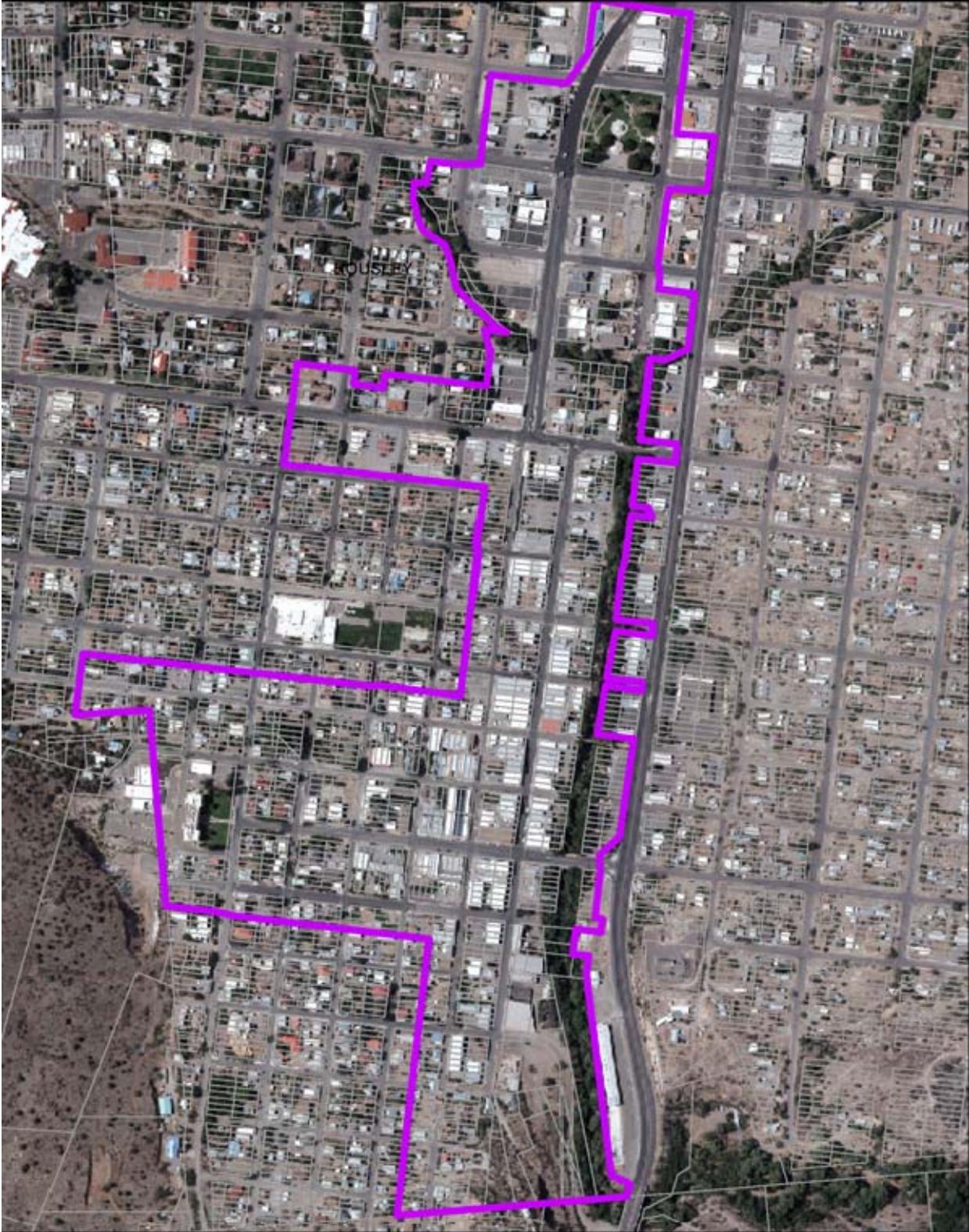
## Introduction

The New Mexico Metropolitan Redevelopment Code (3-60A-1 to 3-60A-48 NMSA 1978) provides municipalities in New Mexico with the powers to correct conditions in areas or neighborhoods within municipalities which “substantially inflict or arrest the sound and orderly development”. These powers can help reverse an area’s decline and stagnation; however, the municipality may only use these powers within designated Metropolitan Redevelopment Areas.

Designation of an MRA is based on findings of “blight” conditions, as defined in the Metropolitan Redevelopment Code (3-60S-8). The criteria set by the Code for a “blighted” area can include both physical conditions and economic conditions. As defined in the Redevelopment Code, *"Blighted area" means an area within the area of operation other than a slum area that, because of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or lack of adequate housing facilities in the area or obsolete or impractical planning and platting or an area where a significant number of commercial or mercantile businesses have closed or significantly reduced their operations due to the economic losses or loss of profit due to operating in the area, low levels of commercial or industrial activity or redevelopment or any combination of such factors, substantially impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use;*

This report proposes that Downtown Silver City be designated a Metropolitan Redevelopment Area (MRA). The approximate MRA boundaries include the historic downtown, including portions of the Chihuahua, Silver City and North Addition Historic Districts.

The following analysis demonstrates that Silver City’s downtown and associated neighborhoods exhibit a combination of factors that contribute to blight in the area. A key principle of the Silver City Comprehensive Plan is to “Protect the community’s historic downtown and neighborhoods ...,” the area afflicted by blight. Physical conditions of the downtown and economic conditions expressed by business activity and the demographics of the population in downtown all point to the need for the Town to pursue alleviating the conditions of blight and implement revitalization efforts in this area.



 Downtown Silver City Metropolitan Redevelopment Area

## **Existing Conditions Assessment**

The following sections identify the physical conditions and the economic conditions of the area that warrant establishment of the downtown and associated neighborhoods as a Metropolitan Redevelopment Area.

### ***Physical Conditions***

Silver City is the principal city in Grant County. Established as a mining town in 1870, the community's wealth and population have fluctuated with the mining industry. The downtown neighborhoods include a wide assortment of historic architecture in varying conditions, including Victorian homes, brick commercial buildings, traditional adobe structures and newer contemporary buildings. Lack of streetscaping, poorly maintained streets, sidewalks and parking lots and boarded facades are examples of the general deteriorated conditions found within the MRA.

The Metropolitan Redevelopment Area boundary includes portions of three historic districts; Chihuahua Hill Historic District, Silver City Historic District and North Addition Historic District. The MRA extends south to take in portions of the Chihuahua Hill Historic District, including vacant parcels, early adobe structures, warehouse and industrial sites, residences, and a few retail and restaurant establishments. Vacant and weed filled lots, sidewalks missing or in poor condition and deteriorating or abandoned buildings are found within this area. These conditions impair the sound growth and economic health and well-being of the area. The MRA is a mix of buildings that date from the 1880's through the 1970's, a few of which are historically and architecturally significant. Businesses, professional offices, and financial institutions that serve local needs, as well as shops and galleries that cater to the tourist trade, including three vintage movie theatres, two of which are unoccupied or used for storage. Several restaurants serve locals and the tourist trade. Residences are mixed with the commercial activity.

Physical conditions within the MRA include lack of sidewalks in some areas, or sidewalks in disrepair where they exist, commercial structures have been abandoned and vacant lots dot this area, vacant lots and inconsistent pedestrian access.

A series of floods from 1896-1906 created the Big Ditch, named after the Panama Canal, where Main Street once stood. The San Vicente Creek and its tributaries, the Silva and Pinos Altos Creeks, suffer from scattered blight by wildcat dumping and overgrowth. The Big Ditch Park portion of the creek offers opportunities for sitting and walking, but is an underutilized resource which is perceived as dangerous and suffers from vandalism and vagrancy.

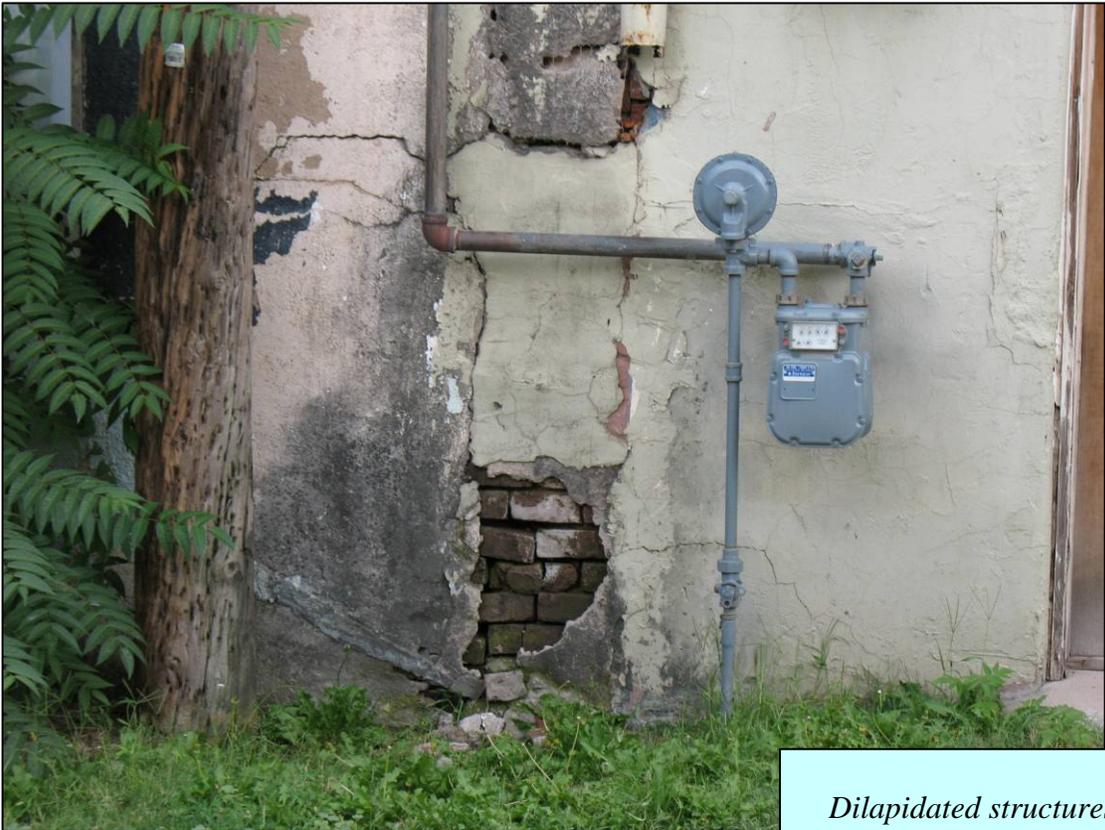
A number of buildings within the downtown areas are vacant or underutilized. This has resulted in a number of empty and deteriorating structures. These conditions impair the sound growth and economic health and well-being of the downtown area. The impaired condition of Silver City's downtown neighborhoods has a detrimental effect on the economic health and sound growth of the Town and its surrounding region.

### **Building Conditions**

Some of the buildings in downtown date to the late 1800's and early 1900's and are

important reminders of Silver City's history. Older buildings range from good condition to deteriorating and dilapidated. Functional obsolescence is a problem noted in a visual survey of downtown neighborhoods. Unattractive appearance, dilapidated conditions and a lack of amenities within the buildings were identified as problems with obsolescent buildings.

Deteriorating structures are located throughout the downtown neighborhoods. Most are vacant, but some occupied buildings are in need of maintenance and minor repairs. The combination of poor structural conditions, lack of amenities, poor traffic circulation, poor pedestrian circulation and poor visual appearance were identified as factors affecting the decline of the entire downtown area.



*Dilapidated structures and substandard streets substantially impair the sound growth and economic health and well-being of downtown Silver City.*





*Structures reveal evidence of neglect and deterioration, contributing to the decline of Downtown Silver City conditions.*



## Vacant and Underutilized Properties

A significant number of commercial businesses in downtown have closed or significantly reduced their operations in the downtown. This has resulted in vacant commercial structures that contribute to the deteriorated appearance of parts of Silver City downtown neighborhoods. In addition to vacant buildings are also a number of buildings that formerly housed offices or retail businesses are now being used for storage. These buildings do not contribute to downtown activity, and often buildings are being allowed to deteriorate, possibly because storage does not generate adequate income to maintain the property



*Multiple vacant and underutilized structures contribute to the deteriorating conditions of Downtown Silver City.*

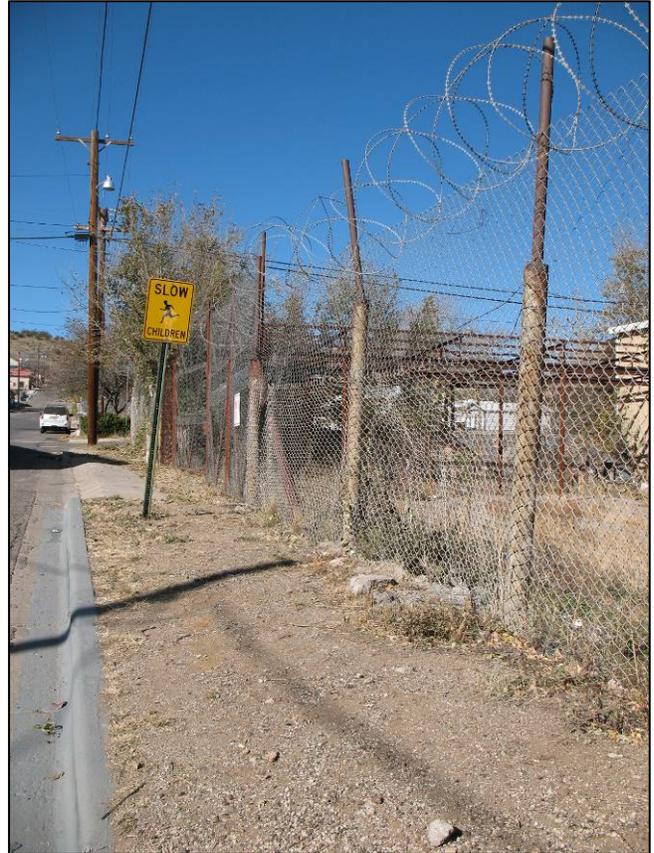


**Streets and Sidewalks:**

Varying street and sidewalk conditions exist within the proposed MRA boundary. Street pavement is cracked, pot-holed and patched in much of the downtown area. Sidewalk conditions range from good to deteriorating. Many sidewalks in the downtown area are elevated above street level to facilitate water runoff to the San Vicente and exhibit extensive undercutting, creating unsafe conditions.



*Streets, sidewalks and curbs are patched and crumbling in many areas of downtown.*



*Lack of sidewalks and curbcuts impairs the well being of the area.*

## Economic Conditions

As indicated by the numbers of vacant buildings in the downtown neighborhoods of Silver City, businesses have closed or moved out of downtown because of its physical condition, creating an area with a lower level of economic activity than is preferred for a community’s downtown.

The Town of Silver City Comprehensive Plan contains the following observations about the downtown:

- A healthy and vital downtown both preserves these historic resources of the town, as well as acts as a focal point for community activities where people from all walks of life congregate together.
- Downtown is an important resource for all residents, as it provides roots and historic context for the town as a whole.
- The town should support and encourage efforts to create a critical mass of daytime workers in the downtown, as a way of sustaining and supporting businesses that serve both local residents and tourists alike.

The Comprehensive Plan identified significant erosion of the downtown’s business base with the development of new shopping centers in the outlying areas and the relocation of anchor businesses to these centers. The outflow of businesses has contributed to neglect and deterioration of the central business district. In its current condition, downtown Silver City is attracting limited private investment.

The residential population within a ¼ mile radius of the center of the proposed metropolitan redevelopment area was 1,771 in 2006 (ESRI forecast from U.S. Census 2000). Compared to Silver City as a whole, the population of this area is more likely to be of working age and less likely to have children less than 19 years of age: only 25% are 19 years old or younger, compared to 28% for all of Silver City. The share of the downtown population that is between 25 and 39 years old – often seen as critical to redevelopment initiatives – is slightly greater than that of Silver City as a whole: 29% compared to 27%. 32% of downtown residents are 40-64 years old, as compared to 31% for the entire city.

Ethnically, compared to Silver City as a whole, the MRA neighborhood has a smaller Hispanic population (51%) than all of Silver City (55%).

MRA DEMOGRAPHICS		
	MRA	Silver City
Population	1,771	10,361
Households	774	4,306
Hispanic Origin	51%	55%
Under 19 y/o	25%	28%
20-39 y/o	29%	24%
40-64 y/o	32%	32%
65 y/o and over	14%	15%
Median Household Income (2006)	\$29,188	\$31,876
Average Household Income	\$40,881	\$43,662
Median Net Worth	\$27,537	\$44,243

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## Downtown Silver City Metropolitan Redevelopment Area Designation Report

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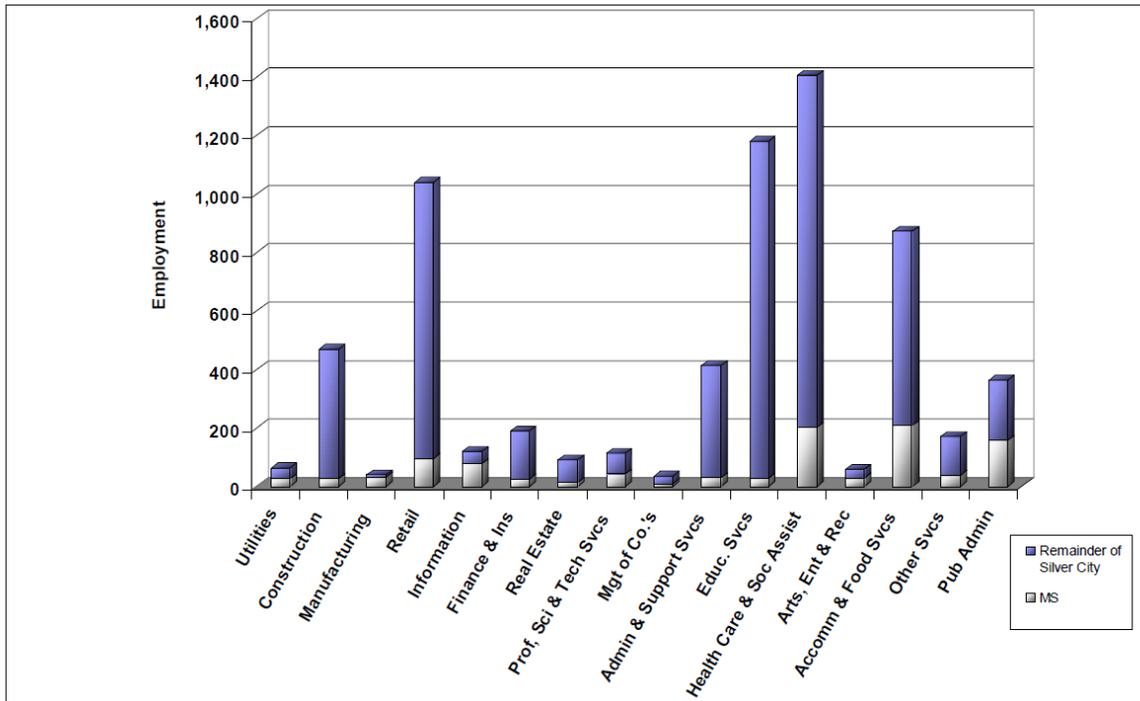
The estimated 2006 median household income was only \$29,188 per year, less than the median household income of the Town (\$31,876), and 70% that of New Mexico as a whole.

The housing stock in downtown is older than that of the other areas in Silver City (in 2006, the median age of housing downtown was 55 years compared to 35 years throughout the city). Vacancy rates are higher (17% versus 11%) and rentals are more common (35% of units compared to 31% for the city). Median values of owner-occupied housing are lower than the Town median value (\$81,164 compared to \$84,745). But despite lower property values, rental housing was less affordable downtown than in other Silver City neighborhoods: the median expenditure on rental housing downtown was \$388 compared to \$361 for the Town as a whole.

In 2006, 100 of Silver City's 346 businesses (29%) were located downtown, accounting for only 18% of the town's jobs. The industrial base of Downtown Silver City is balanced with both 40-hour/week professional and evening & weekend hospitality sectors. No single sector accounts for more than 20% of employment in the area. The best represented sectors are: hospitality (mainly restaurants), with 14 establishments and 209 jobs (20%); healthcare and social assistance, with 9 establishments and 209 jobs (19%); and public administration, with 9 establishments and 158 jobs (15%). Jobs in retail, information, professional services, small craft manufacturers, administrative services, offices of construction and utility firms, and finance, insurance and real estate are also found in downtown Silver City.

Of all of the employment sectors, retail is the most under represented. With 95 jobs in 5 establishments, the sector accounts for less than 10% of all employment in the area.

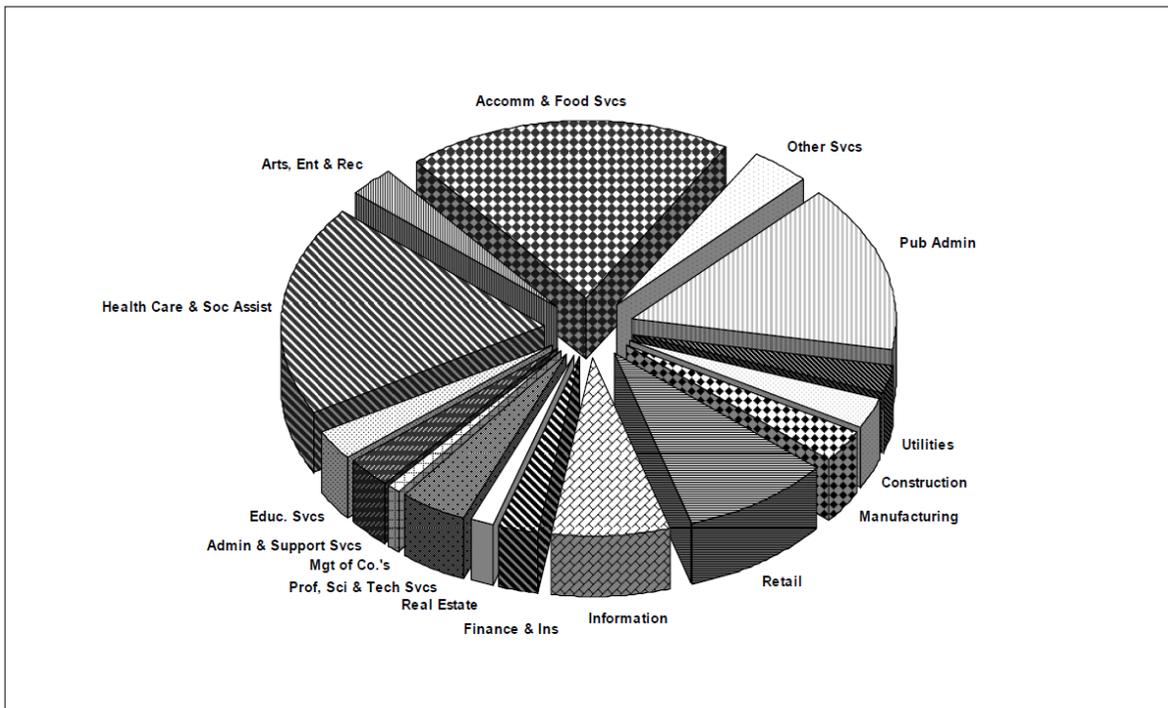
SILVER CITY INDUSTRY BY EMPLOYMENT AND LOCAL GEOGRAPHY, 2006



MS = MainStreet

Source: *Silver City Mainstreet: Community Economic Assessment (2008)*

SILVER CITY EMPLOYMENT IN MAINSTREET AREA BY INDUSTRY, 2006



Source: *Silver City Mainstreet: Community Economic Assessment (2008)*

## Conclusions:

This report demonstrates the existing conditions within Silver City which meet the criteria for the MRA designation as defined by the Metropolitan Redevelopment Code (3-60A-8).

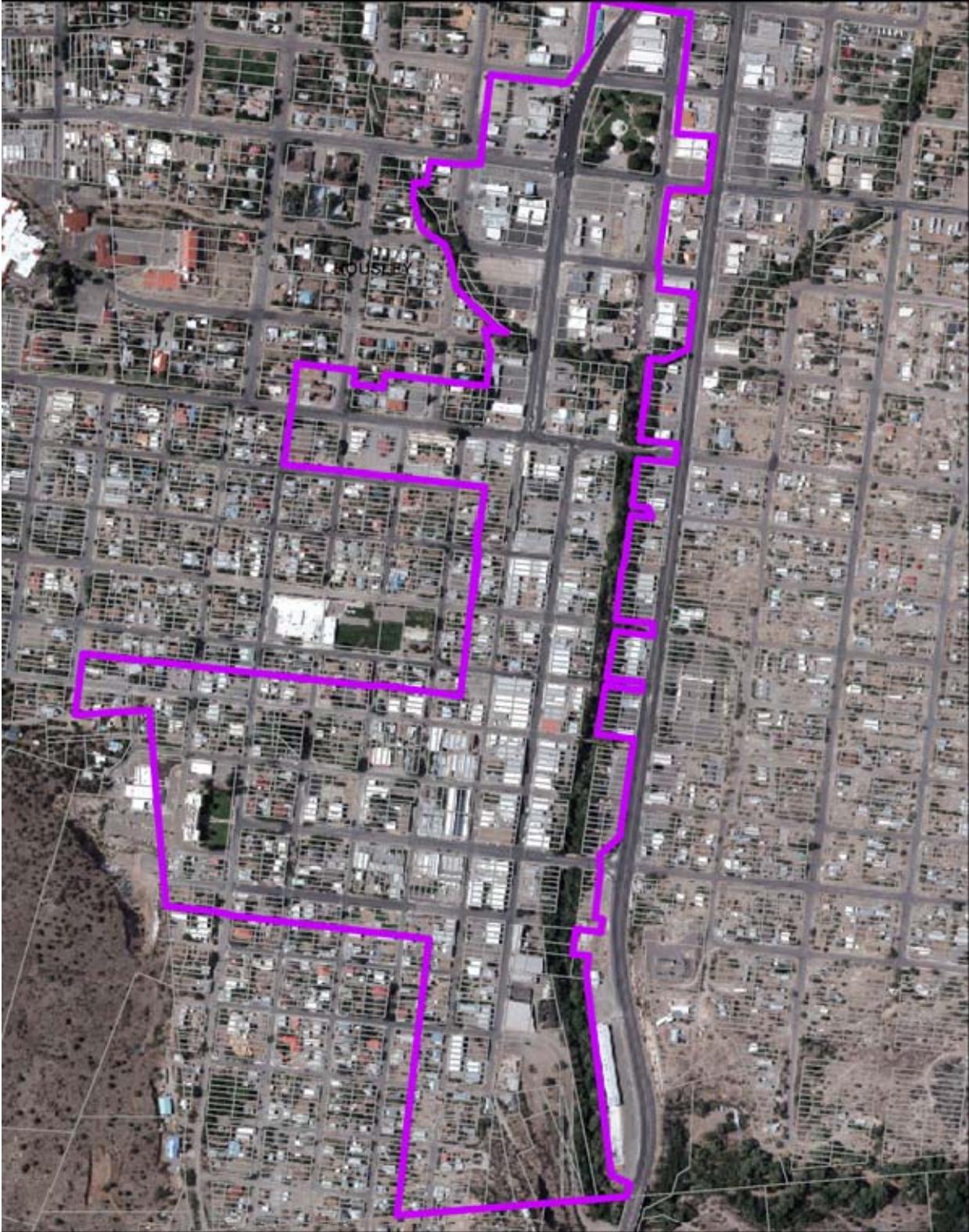
The conditions described in this report detail a combination of factors which

*“..substantially impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use;”*

The designation of the Silver City Metropolitan Redevelopment Area will assist the community in achieving the following goals:

- Elimination of detrimental public health and welfare conditions.
- Conservation, improvement and expansion of commercial building stock.
- Expansion of commercial activity
- Reduction in blight
- Improvement and expansion of available housing.
- Improvement of economic conditions through coordinated public and private investments.

With the powers made available to municipalities by the NM Metropolitan Redevelopment Code, the Town of Silver City will be working with the private sector to create opportunities for new housing, assist in preserving existing businesses in the area, expand the business community and implement public improvements and investments in the downtown Silver City area.



 Downtown Silver City Metropolitan Redevelopment Area